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INITIATIVE 340

I, Sam Reed, Secretary of State of the State of Washington and custodian of its seal, hereby certify that, according to the records on file in my office, the attached copy of Initiative Measure No. 340 to the Legislature is a true and correct copy as it was received by this office.

1 AN ACT Relating to limiting government-imposed charges on motor
2 vehicles; amending RCW 81.100.060, 36.120.050, 82.08.020, 82.44.065,
3 35.95A.130, 81.104.160, 46.16.237, and 46.16.270; reenacting and
4 amending RCW 46.16.0621 and 46.16.070; adding a new section to chapter
5 82.44 RCW; creating new sections; repealing RCW 82.80.100, 82.80.130,
6 46.16.071, the annual vehicle fees added by Engrossed Substitute Senate
7 Bill No. 6103, and the annual vehicle fees added by Substitute Senate
8 Bill No. 5177; and providing an effective date.

9 BE IT ENACTED BY THE PEOPLE OF THE STATE OF WASHINGTON:

10 POLICIES AND PURPOSES

11 NEW SECTION. **Sec. 1.** Voters have twice approved \$30 tabs, yet
12 politicians are ignoring the voters' repeated, unambiguous mandate by
13 imposing higher and higher vehicle taxes and fees, by inflating
14 vehicles' values in order to extract artificially high amounts of
15 revenue from taxpayers, and by ignoring the provisions of voter-
16 approved initiatives. It's not fair and it must stop. As long as
17 taxpayers must pay a huge general sales tax to buy a vehicle (meaning
18 state and local governments receive huge windfalls of sales tax revenue

1 from these transactions) and pay a huge gas tax to use a vehicle, the
2 people find that the government is not entitled to a "third bite of the
3 apple," taxes and fees above a reasonable annual amount to simply own
4 a vehicle. Without this follow-up measure, "tab creep" will continue
5 until license tab fees are once again obscenely expensive, as they were
6 prior to Initiative 695. This measure and each of its provisions
7 limits government-imposed charges on motor vehicles. This measure
8 would set license tab fees at \$30 per year for motor vehicles, repeal
9 certain vehicle excise taxes and fees, establish a fair vehicle
10 valuation schedule based on latest purchase price, not the artificially
11 inflated manufacturer's suggested retail price (MSRP), and eliminate
12 voter-repealed vehicle excise taxes and fees by requiring retirement of
13 certain bonds. Politicians promised "\$30 license tabs are here to
14 stay." Politicians should keep their promises. \$30 means \$30.

15 **LIMITING GOVERNMENT-IMPOSED CHARGES ON MOTOR VEHICLES**
16 **BY LIMITING FEES TO \$30 PER YEAR**

17 **Sec. 2.** RCW 46.16.0621 and 2003 c 1 s 2 are each reenacted and
18 amended to read as follows:

19 1) (~~License tab fees are required to be thirty dollars per year~~
20 ~~for motor vehicles, regardless of year, value, make, or model~~) License
21 tab fees are required to be \$30 per year for motor vehicles, regardless
22 of year, value, make, or model.

23 2) (~~For the purposes of this section, "license tab fees" are~~
24 ~~defined as the general fees paid annually for licensing motor vehicles~~
25 ~~and trailers as defined in RCW 46.04.620 and 46.04.623, including cars,~~
26 ~~sport utility vehicles, motorcycles, and motor homes. Trailers~~
27 ~~licensed under RCW 46.16.068 or 46.16.085 and campers licensed under~~
28 ~~RCW 46.16.505 are not required to pay license tab fees under this~~
29 ~~section~~) For the purposes of this section, "license tab fees" are
30 defined as the general fees paid annually for licensing motor vehicles,
31 including but not limited to cars, sport utility vehicles, motorcycles,
32 and motor homes. This fee shall be paid and collected annually and is
33 due at the time of initial and renewal vehicle registration. Trailers
34 licensed under RCW 46.16.068, 46.16.085, 46.04.620, or 46.04.623 and
35 campers licensed under RCW 46.16.505 are not required to pay license
36 tab fees under this section.

1 **LIMITING GOVERNMENT-IMPOSED CHARGES ON LIGHT TRUCKS BY LIMITING FEES**
 2 **TO \$30 PER YEAR (FEES FOR HEAVY TRUCKS AND TRAILERS ARE BASED ON**
 3 **GROSS WEIGHT AT RATES LISTED BELOW)**

4 **Sec. 3.** RCW 46.16.070 and 2005 c ... (ESSB 6103) s 204 are each
 5 reenacted and amended to read as follows:

6 (1) (~~In lieu of all other vehicle licensing fees, unless~~
 7 ~~specifically exempt, and in addition to the mileage fees prescribed for~~
 8 ~~buses and stages in RCW 46.16.125, there shall be paid and collected~~
 9 ~~annually for each truck, motor truck, truck tractor, road tractor,~~
 10 ~~tractor, bus, auto stage, or for hire vehicle with seating capacity of~~
 11 ~~more than six, based upon the declared combined gross weight under~~
 12 ~~chapter 46.44 RCW, the following licensing fees by weight:)) In lieu
 13 of all other vehicle licensing fees, unless specifically exempt, and in
 14 addition to the mileage fees prescribed for buses and stages in RCW
 15 46.16.125, there shall be paid and collected annually for each truck,
 16 motor truck, truck tractor, road tractor, tractor, bus, auto stage, or
 17 for hire vehicle with seating capacity of more than six, based upon the
 18 declared combined gross weight or declared gross weight under chapter
 19 46.44 RCW, the following licensing fees by such gross weight:~~

| ((WEIGHT)) | ((SCHEDULE A)) | ((SCHEDULE B)) |
|------------------------------|---------------------------|---------------------------|
| <u>DECLARED GROSS WEIGHT</u> | <u>SCHEDULE A</u> | <u>SCHEDULE B</u> |
| ((4,000 lbs.)) | \$ ((40.00)) | \$ ((40.00)) |
| <u>4,000 lbs.</u> | <u>30.00</u> | <u>30.00</u> |
| ((6,000 lbs.)) | \$ ((50.00)) | \$ ((50.00)) |
| <u>6,000 lbs.</u> | <u>30.00</u> | <u>30.00</u> |
| ((8,000 lbs.)) | \$ ((60.00)) | \$ ((60.00)) |
| <u>8,000 lbs.</u> | <u>30.00</u> | <u>30.00</u> |
| ((10,000 lbs.)) | \$ ((62.00)) | \$ ((62.00)) |
| <u>10,000 lbs.</u> | <u>30.00</u> | <u>30.00</u> |
| ((12,000 lbs.)) | \$ ((79.00)) | \$ ((79.00)) |
| <u>12,000 lbs.</u> | <u>30.00</u> | <u>30.00</u> |
| ((14,000 lbs.)) | \$ ((90.00)) | \$ ((90.00)) |
| <u>14,000 lbs.</u> | <u>30.00</u> | <u>30.00</u> |
| ((16,000 lbs.)) | \$ ((102.00)) | \$ ((102.00)) |
| <u>16,000 lbs.</u> | <u>30.00</u> | <u>30.00</u> |
| ((18,000 lbs.)) | \$ ((154.00)) | \$ ((154.00)) |
| <u>18,000 lbs.</u> | <u>30.00</u> | <u>30.00</u> |
| ((20,000 lbs.)) | \$ ((171.00)) | \$ ((171.00)) |
| <u>20,000 lbs.</u> | <u>30.00</u> | <u>30.00</u> |
| ((22,000 lbs.)) | \$ ((185.00)) | \$ ((185.00)) |
| <u>22,000 lbs.</u> | <u>185.00</u> | <u>185.00</u> |
| ((24,000 lbs.)) | \$ ((200.00)) | \$ ((200.00)) |
| <u>24,000 lbs.</u> | <u>200.00</u> | <u>200.00</u> |
| ((26,000 lbs.)) | \$ ((211.00)) | \$ ((211.00)) |
| <u>26,000 lbs.</u> | <u>211.00</u> | <u>211.00</u> |

| | | | |
|----|-------------------------------------|---------------------------------|------------------------|
| 1 | ((28,000 lbs.)) \$ | ((249.00)) \$ | ((249.00)) |
| 2 | <u>28,000 lbs.</u> | <u>249.00</u> | <u>249.00</u> |
| 3 | ((30,000 lbs.)) \$ | ((287.00)) \$ | ((287.00)) |
| 4 | <u>30,000 lbs.</u> | <u>287.00</u> | <u>287.00</u> |
| 5 | ((32,000 lbs.)) \$ | ((346.00)) \$ | ((346.00)) |
| 6 | <u>32,000 lbs.</u> | <u>346.00</u> | <u>346.00</u> |
| 7 | ((34,000 lbs.)) \$ | ((368.00)) \$ | ((368.00)) |
| 8 | <u>34,000 lbs.</u> | <u>368.00</u> | <u>368.00</u> |
| 9 | ((36,000 lbs.)) \$ | ((399.00)) \$ | ((399.00)) |
| 10 | <u>36,000 lbs.</u> | <u>399.00</u> | <u>399.00</u> |
| 11 | ((38,000 lbs.)) \$ | ((438.00)) \$ | ((438.00)) |
| 12 | <u>38,000 lbs.</u> | <u>438.00</u> | <u>438.00</u> |
| 13 | ((40,000 lbs.)) \$ | ((501.00)) \$ | ((501.00)) |
| 14 | <u>40,000 lbs.</u> | <u>501.00</u> | <u>501.00</u> |
| 15 | ((42,000 lbs.)) \$ | ((521.00)) \$ | ((611.00)) |
| 16 | <u>42,000 lbs.</u> | <u>521.00</u> | <u>611.00</u> |
| 17 | ((44,000 lbs.)) \$ | ((532.00)) \$ | ((622.00)) |
| 18 | <u>44,000 lbs.</u> | <u>532.00</u> | <u>622.00</u> |
| 19 | ((46,000 lbs.)) \$ | ((572.00)) \$ | ((662.00)) |
| 20 | <u>46,000 lbs.</u> | <u>572.00</u> | <u>662.00</u> |
| 21 | ((48,000 lbs.)) \$ | ((596.00)) \$ | ((686.00)) |
| 22 | <u>48,000 lbs.</u> | <u>596.00</u> | <u>686.00</u> |
| 23 | ((50,000 lbs.)) \$ | ((647.00)) \$ | ((737.00)) |
| 24 | <u>50,000 lbs.</u> | <u>647.00</u> | <u>737.00</u> |
| 25 | ((52,000 lbs.)) \$ | ((680.00)) \$ | ((770.00)) |
| 26 | <u>52,000 lbs.</u> | <u>680.00</u> | <u>770.00</u> |
| 27 | ((54,000 lbs.)) \$ | ((734.00)) \$ | ((824.00)) |
| 28 | <u>54,000 lbs.</u> | <u>734.00</u> | <u>824.00</u> |
| 29 | ((56,000 lbs.)) \$ | ((775.00)) \$ | ((865.00)) |
| 30 | <u>56,000 lbs.</u> | <u>775.00</u> | <u>865.00</u> |
| 31 | ((58,000 lbs.)) \$ | ((806.00)) \$ | ((896.00)) |
| 32 | <u>58,000 lbs.</u> | <u>806.00</u> | <u>896.00</u> |
| 33 | ((60,000 lbs.)) \$ | ((859.00)) \$ | ((949.00)) |
| 34 | <u>60,000 lbs.</u> | <u>859.00</u> | <u>949.00</u> |
| 35 | ((62,000 lbs.)) \$ | ((921.00)) \$ | ((1011.00)) |
| 36 | <u>62,000 lbs.</u> | <u>921.00</u> | <u>1011.00</u> |
| 37 | ((64,000 lbs.)) \$ | ((941.00)) \$ | ((1031.00)) |
| 38 | <u>64,000 lbs.</u> | <u>941.00</u> | <u>1031.00</u> |
| 39 | ((66,000 lbs.)) \$ | ((1048.00)) \$ | ((1138.00)) |
| 40 | <u>66,000 lbs.</u> | <u>1048.00</u> | <u>1138.00</u> |
| 41 | ((68,000 lbs.)) \$ | ((1093.00)) \$ | ((1183.00)) |
| 42 | <u>68,000 lbs.</u> | <u>1093.00</u> | <u>1183.00</u> |
| 43 | ((70,000 lbs.)) \$ | ((1177.00)) \$ | ((1267.00)) |
| 44 | <u>70,000 lbs.</u> | <u>1177.00</u> | <u>1267.00</u> |
| 45 | ((72,000 lbs.)) \$ | ((1259.00)) \$ | ((1349.00)) |
| 46 | <u>72,000 lbs.</u> | <u>1259.00</u> | <u>1349.00</u> |
| 47 | ((74,000 lbs.)) \$ | ((1368.00)) \$ | ((1458.00)) |
| 48 | <u>74,000 lbs.</u> | <u>1368.00</u> | <u>1458.00</u> |
| 49 | ((76,000 lbs.)) \$ | ((1478.00)) \$ | ((1568.00)) |
| 50 | <u>76,000 lbs.</u> | <u>1478.00</u> | <u>1568.00</u> |
| 51 | ((78,000 lbs.)) \$ | ((1614.00)) \$ | ((1704.00)) |
| 52 | <u>78,000 lbs.</u> | <u>1614.00</u> | <u>1704.00</u> |
| 53 | ((80,000 lbs.)) \$ | ((1742.00)) \$ | ((1832.00)) |
| 54 | <u>80,000 lbs.</u> | <u>1742.00</u> | <u>1832.00</u> |

| | | | | |
|----|--|-----------------------------------|---------------------------------|---------------------------|
| 1 | | ((82,000 lbs.)) | \$ ((1863.00)) | \$ ((1953.00)) |
| 2 | | <u>82,000 lbs.</u> | <u>1863.00</u> | <u>1953.00</u> |
| 3 | | ((84,000 lbs.)) | \$ ((1983.00)) | \$ ((2073.00)) |
| 4 | | <u>84,000 lbs.</u> | <u>1983.00</u> | <u>2073.00</u> |
| 5 | | ((86,000 lbs.)) | \$ ((2104.00)) | \$ ((2194.00)) |
| 6 | | <u>86,000 lbs.</u> | <u>2104.00</u> | <u>2194.00</u> |
| 7 | | ((88,000 lbs.)) | \$ ((2225.00)) | \$ ((2315.00)) |
| 8 | | <u>88,000 lbs.</u> | <u>2225.00</u> | <u>2315.00</u> |
| 9 | | ((90,000 lbs.)) | \$ ((2346.00)) | \$ ((2436.00)) |
| 10 | | <u>90,000 lbs.</u> | <u>2346.00</u> | <u>2436.00</u> |
| 11 | | ((92,000 lbs.)) | \$ ((2466.00)) | \$ ((2556.00)) |
| 12 | | <u>92,000 lbs.</u> | <u>2466.00</u> | <u>2556.00</u> |
| 13 | | ((94,000 lbs.)) | \$ ((2587.00)) | \$ ((2677.00)) |
| 14 | | <u>94,000 lbs.</u> | <u>2587.00</u> | <u>2677.00</u> |
| 15 | | ((96,000 lbs.)) | \$ ((2708.00)) | \$ ((2798.00)) |
| 16 | | <u>96,000 lbs.</u> | <u>2708.00</u> | <u>2798.00</u> |
| 17 | | ((98,000 lbs.)) | \$ ((2829.00)) | \$ ((2919.00)) |
| 18 | | <u>98,000 lbs.</u> | <u>2829.00</u> | <u>2919.00</u> |
| 19 | | ((100,000 lbs.)) | \$ ((2949.00)) | \$ ((3039.00)) |
| 20 | | <u>100,000 lbs.</u> | <u>2949.00</u> | <u>3039.00</u> |
| 21 | | ((102,000 lbs.)) | \$ ((3070.00)) | \$ ((3160.00)) |
| 22 | | <u>102,000 lbs.</u> | <u>3070.00</u> | <u>3160.00</u> |
| 23 | | ((104,000 lbs.)) | \$ ((3191.00)) | \$ ((3281.00)) |
| 24 | | <u>104,000 lbs.</u> | <u>3191.00</u> | <u>3281.00</u> |
| 25 | | ((105,500 lbs.)) | \$ ((3312.00)) | \$ ((3402.00)) |
| 26 | | <u>105,500 lbs.</u> | <u>3312.00</u> | <u>3402.00</u> |

27 Schedule A applies to vehicles either used exclusively for hauling
28 logs or that do not tow trailers. Schedule B applies to vehicles that
29 tow trailers and are not covered under Schedule A.

30 Every truck, motor truck, truck tractor, and tractor exceeding
31 ~~((6000))~~ 20,000 pounds empty scale weight registered under chapter
32 46.16, 46.87, or 46.88 RCW shall be licensed for not less than one
33 hundred fifty percent of its empty weight unless the amount would be in
34 excess of the legal limits prescribed for such a vehicle in RCW
35 46.44.041 or 46.44.042, in which event the vehicle shall be licensed
36 for the maximum weight authorized for such a vehicle or unless the
37 vehicle is used only for the purpose of transporting any well drilling
38 machine, air compressor, rock crusher, conveyor, hoist, donkey engine,
39 cook house, tool house, bunk house, or similar machine or structure
40 attached to or made a part of such vehicle.

41 The following provisions apply when increasing gross or combined
42 gross weight for a vehicle licensed under this section:

43 (a) The new license fee will be one-twelfth of the fee listed above
44 for the new gross weight, multiplied by the number of months remaining
45 in the period for which licensing fees have been paid, including the
46 month in which the new gross weight is effective.

1 (b) Upon surrender of the current certificate of registration or
2 cab card, the new licensing fees due shall be reduced by the amount of
3 the licensing fees previously paid for the same period for which new
4 fees are being charged.

5 (2) The proceeds from the fees collected under subsection (1) of
6 this section shall be distributed in accordance with RCW 46.68.035.

7 (3) In lieu of the gross weight fee under subsection (1) of this
8 section, farm vehicles may be licensed upon payment of the fee in
9 effect under subsection (1) of this section on May 1, 2005. In order
10 to qualify for the reduced fee under this subsection, the farm vehicle
11 must be exempt from property taxes in accordance with RCW 84.36.630.
12 The applicant must submit copies of the forms required under RCW
13 84.36.630. The application for the reduced fee under this subsection
14 shall require the applicant to attest that the vehicle shall be used
15 primarily for farming purposes. The department shall provide licensing
16 agents and subagents with a schedule of the appropriate licensing fees
17 for farm vehicles.

18 **LIMITING GOVERNMENT-IMPOSED CHARGES ON MOTOR VEHICLES**
19 **BY REPEALING NEW MOTOR VEHICLE EXCISE TAXES**

20 **Sec. 4.** RCW 81.100.060 and 2002 c 56 s 411 are each amended to
21 read as follows:

22 A county with a population of one million or more and a county with
23 a population of from two hundred ten thousand to less than one million
24 that is adjoining a county with a population of one million or more,
25 having within their boundaries existing or planned high-occupancy
26 vehicle lanes on the state highway system, or a regional transportation
27 investment district for capital improvements, but only to the extent
28 that the surcharge has not already been imposed by the county, may,
29 with voter approval, impose a local surcharge of not more than ((~~three-~~
30 ~~tenths of one percent of the value on vehicles registered to a person~~
31 ~~residing within the county and not more than~~)) 13.64 percent on the
32 state sales and use taxes paid under the rate in RCW 82.08.020(2) on
33 retail car rentals within the county or investment district. A county
34 may impose the surcharge only to the extent that it has not been
35 imposed by the district. ((~~No surcharge may be imposed on vehicles~~
36 ~~licensed under RCW 46.16.070 except vehicles with an unladen weight of~~
37 ~~six thousand pounds or less, RCW 46.16.079, 46.16.085, or 46.16.090.~~))

1 Counties or investment districts imposing a ((tax)) surchARGE under
2 this section shall contract, before the effective date of the
3 resolution or ordinance imposing a surcharge, for the administration
4 and collection ((to the state department of licensing, and)) of the
5 surchARGE with the department of revenue((, as appropriate)), which
6 shall deduct an amount, as provided by contract, for administration and
7 collection expenses incurred by the department. ((All administrative
8 provisions in chapters 82.03, 82.32, and 82.44 RCW shall, insofar as
9 they are applicable to motor vehicle excise taxes, be applicable to
10 surcharges imposed under this section.)) All administrative provisions
11 in chapters 82.03, 82.08, 82.12, and 82.32 RCW shall, insofar as they
12 are applicable to state sales and use taxes, be applicable to
13 surcharges imposed under this section.

14 If the tax authorized in RCW 81.100.030 is also imposed, the total
15 proceeds from tax sources imposed under this section and RCW 81.100.030
16 each year shall not exceed the maximum amount which could be collected
17 under this section.

18 Valuation of motor vehicles for purposes of any special excise tax
19 imposed under RCW 81.100.060 must be consistent with section 10 of this
20 act.

21 Counties or investment districts under RCW 81.100.060 must abide by
22 the policies and provisions of section 14 of this act.

23 **LIMITING GOVERNMENT-IMPOSED CHARGES ON MOTOR VEHICLES**
24 **BY REPEALING MOTOR VEHICLE EXCISE TAXES AND FEES**

25 **Sec. 5.** RCW 36.120.050 and 2003 c 350 s 4 are each amended to read
26 as follows:

27 (1) A regional transportation investment district planning
28 committee may, as part of a regional transportation investment plan,
29 recommend the imposition of some or all of the following revenue
30 sources, which a regional transportation investment district may impose
31 upon approval of the voters as provided in this chapter:

32 (a) A regional sales and use tax, as specified in RCW 82.14.430, of
33 up to 0.5 percent of the selling price, in the case of a sales tax, or
34 value of the article used, in the case of a use tax, upon the
35 occurrence of any taxable event in the regional transportation
36 investment district;

1 ~~(b) ((A local option vehicle license fee, as specified under RCW~~
2 ~~82.80.100, of up to one hundred dollars per vehicle registered in the~~
3 ~~district. As used in this subsection, "vehicle" means motor vehicle as~~
4 ~~defined in RCW 46.04.320. Certain classes of vehicles, as defined~~
5 ~~under chapter 46.04 RCW, may be exempted from this fee;~~

6 ~~—(c)) A parking tax under RCW 82.80.030;~~

7 ~~((d) A local motor vehicle excise tax under RCW 81.100.060 and~~
8 ~~chapter 81.104 RCW;~~

9 ~~—(e)) (c) A local option fuel tax under 82.80.120;~~

10 ~~((f)) (d) An employer excise tax under RCW 81.100.030; and~~

11 ~~((g)) (e) Vehicle tolls on new or reconstructed facilities.~~
12 Unless otherwise specified by law, the department shall administer the
13 collection of vehicle tolls on designated facilities, and the state
14 transportation commission, or its successor, shall be the tolling
15 authority.

16 (2) Taxes, fees, and tolls may not be imposed without an
17 affirmative vote of the majority of the voters within the boundaries of
18 the district voting on a ballot proposition as set forth in RCW
19 36.120.070. Revenues from these taxes and fees may be used only to
20 implement the plan as set forth in this chapter. A district may
21 contract with the state department of revenue or other appropriate
22 entities for administration and collection of any of the taxes or fees
23 authorized in this section.

24 (3) Existing statewide motor vehicle fuel and special fuel taxes,
25 at the distribution rates in effect on January 1, 2001, are not
26 intended to be altered by this chapter.

27 (4) Valuation of motor vehicles for purposes of any special excise
28 tax imposed under RCW 36.120.050 must be consistent with section 10 of
29 this act.

30 (5) Any investment district or other governmental entity under RCW
31 81.104.160 must abide by the policies and provisions of section 14 of
32 this act.

33 **Sec. 6.** RCW 82.08.020 and 2003 c 361 s 301 are each amended to
34 read as follows:

35 (1) There is levied and there shall be collected a tax on each
36 retail sale in this state equal to six and five-tenths percent of the
37 selling price.

1 (2) There is levied and there shall be collected an additional tax
2 on each retail car rental, regardless of whether the vehicle is
3 licensed in this state, equal to five and nine-tenths percent of the
4 selling price. The revenue collected under this subsection shall be
5 deposited in the multimodal transportation account created in RCW
6 47.66.070.

7 ~~(3) ((Beginning July 1, 2003, there is levied and collected an~~
8 ~~additional tax of three-tenths of one percent of the selling price on~~
9 ~~each retail sale of a motor vehicle in this state, other than retail~~
10 ~~car rentals taxed under subsection (2) of this section. The revenue~~
11 ~~collected under this subsection shall be deposited in the multimodal~~
12 ~~transportation account created in RCW 47.66.070.~~

13 ~~—(4) For purposes of subsection (3) of this section, "motor vehicle"~~
14 ~~has the meaning provided in RCW 46.04.320, but does not include farm~~
15 ~~tractors or farm vehicles as defined in RCW 46.04.180 and 46.04.181,~~
16 ~~off-road and nonhighway vehicles as defined in RCW 46.09.020, and~~
17 ~~snowmobiles as defined in RCW 46.10.010.~~

18 ~~—(5))~~ The taxes imposed under this chapter shall apply to
19 successive retail sales of the same property.

20 ~~((+7))~~ (4) The rates provided in this section apply to taxes
21 imposed under chapter 82.12 RCW as provided in RCW 82.12.020.

22 **Sec. 7.** RCW 46.16.237 and 2005 c 1 s 1 are each amended to read as
23 follows:

24 All vehicle license number plates issued after January 1, 1968, or
25 such earlier date as the director may prescribe with respect to plates
26 issued in any county, shall be treated with fully reflectorized
27 materials designed to increase the visibility and legibility of such
28 plates at night. In addition to all other fees prescribed by law,
29 there shall be paid and collected for each vehicle license number plate
30 treated with such materials, the sum of ~~((two dollars))~~ fifty cents and
31 for each set of two plates, the sum of ~~((four dollars.))~~ one dollar:
32 PROVIDED, HOWEVER, one plate is available only to those vehicles that
33 by law require only one plate. Such fees shall be deposited in the
34 motor vehicle fund.

35 **Sec. 8.** RCW 46.16.270 and 2005 c 1 s 1 are each amended to read as
36 follows:

1 The total replacement plate fee shall be deposited in the motor
2 vehicle fund.

3 Upon the loss, defacement, or destruction of one or both of the
4 vehicle license number plates issued for any vehicle where more than
5 one plate was originally issued or where one or both have become so
6 illegible or in such a condition as to be difficult to distinguish, or
7 upon the owner's option, the owner of the vehicle shall make
8 application for new vehicle license number plates upon a form furnished
9 by the director. The application shall be filed with the director or
10 the director's authorized agent, accompanied by the certificate of
11 license registration of the vehicle and a fee in the amount of (~~ten~~)
12 three dollars per plate, whereupon the director, or the director's
13 authorized agent, shall issue new vehicle license number plates to the
14 applicant. It shall be accompanied by a fee of two dollars for a new
15 motorcycle license number plate. In the event the director has issued
16 license period tabs or a windshield emblem instead of vehicle license
17 number plates, and upon the loss, defacement, or destruction of the
18 tabs or windshield emblem, application shall be made on a form provided
19 by the director and in the same manner as above described, and shall be
20 accompanied by a fee of one dollar for each pair of tabs or for each
21 windshield emblem, whereupon the director shall issue to the applicant
22 a duplicate pair of tabs, year tabs, and when necessary month tabs or
23 a windshield emblem to replace those lost, defaced, or destroyed. For
24 vehicles owned, rented, or leased by the state of Washington or by any
25 county, city, town, school district, or other political subdivision of
26 the state of Washington or United States government, or owned or leased
27 by the governing body of an Indian tribe as defined in RCW 46.16.020,
28 a fee shall be charged for replacement of a vehicle license number
29 plate only to the extent required by the provisions of RCW 46.16.020,
30 46.16.237, and 46.01.140. For vehicles owned, rented, or leased by
31 foreign countries or international bodies to which the United States
32 government is a signatory by treaty, the payment of any fee for the
33 replacement of a vehicle license number plate shall not be required.

34 **LIMITING GOVERNMENT-IMPOSED CHARGES ON MOTOR VEHICLES**
35 **BY REPEALING MOTOR VEHICLE EXCISE TAXES AND FEES**

36 NEW SECTION. **Sec. 9.** The following acts or parts of acts are
37 hereby repealed:

- 1 (1) RCW 82.80.100 (Regional transportation investment district --
- 2 Local option vehicle license fee) and 2002 c 56 s 408;
- 3 (2) RCW 82.80.130 (Passenger-only ferry service - Local option
- 4 motor vehicle excise tax authorized) and 2003 c 83 s 206;
- 5 (3) RCW 46.16.071 (Additional fees) and 1996 c 315 s 4;
- 6 (4) RCW 46.--.--- and 2005 c ... (The annual vehicle fees added by
- 7 Engrossed Substitute Senate Bill No. 6103) s 201; and
- 8 (5) RCW 82.80.--- and 2005 c ... (The annual vehicle fees by
- 9 Substitute Senate Bill No. 5177) s 16.

10 **LIMITING GOVERNMENT-IMPOSED CHARGES ON MOTOR VEHICLES**
 11 **BY BASING VEHICLE VALUATIONS ON LATEST PURCHASE PRICE, NOT THE**
 12 **ARTIFICIALLY INFLATED MANUFACTURER'S SUGGESTED RETAIL PRICE (MSRP)**

13 NEW SECTION. **Sec. 10.** A new section to chapter 82.44 RCW is added
 14 and reads as follows:

15 A motor vehicle excise tax must be fairly calculated so the burden
 16 on vehicle owners is not artificially inflated. For the purpose of
 17 determining a motor vehicle excise tax, any taxing district imposing a
 18 motor vehicle excise tax must set a vehicle's taxable value by using
 19 the depreciation schedule set forth by this section. The taxable value
 20 depends on a vehicle's age (year of service) and base value which must
 21 be the latest purchase price of a vehicle. The base value is used in
 22 combination with the depreciation schedule to calculate the tax. This
 23 formula ensures a fair calculation of the tax.

24 (1) For the purpose of determining the tax under this chapter, the
 25 value of a truck-type power or trailing unit, or motor vehicle,
 26 including a passenger vehicle, motorcycle, motor home, sport-utility
 27 vehicle, or light-duty truck shall be the latest purchase price of the
 28 vehicle, excluding applicable federal excise taxes, state and local
 29 sales or use taxes, transportation or shipping costs, or preparatory or
 30 delivery costs, multiplied by the following percentage based on year of
 31 service of the vehicle since last sale. The latest purchase year shall
 32 be considered the first year of service.

| Year of Service | Percentage |
|------------------|------------|
| 1 (new vehicles) | 100% |
| 2 | 75% |
| 3 | 60% |
| 4 | 50% |

| | |
|------------|-----|
| 5 | 40% |
| 6 | 30% |
| 7 | 20% |
| 8 | 10% |
| 9 and over | 5% |

1 (2) The reissuance of title and registration for a truck-type power
2 or trailing unit or motor vehicle, including a passenger vehicle,
3 motorcycle, motor home, sport-utility vehicle, or light-duty truck
4 because of the installation of body or special equipment shall be
5 treated as a sale, and the value of the truck-type power or trailing
6 unit or motor vehicle, including a passenger vehicle, motorcycle, motor
7 home, sport-utility vehicle, or light-duty truck at that time, as
8 determined by the department from such information as may be available,
9 shall be considered the latest purchase price.

10 (3) If the value is unavailable or otherwise unascertainable at the
11 time of initial registration in this state, the department shall
12 determine a value equivalent to the latest purchase price as follows:

13 (a) The department shall determine a value using any information
14 that may be available, including any guidebook, report, or compendium
15 of recognized standing in the automotive industry or the selling price
16 and year of sale of the vehicle. The department may use an appraisal
17 by the county assessor. In valuing a vehicle for which the current
18 value or selling price is not indicative of the value of similar
19 vehicles of the same year and model, the department shall establish a
20 value that more closely represents the average value of similar
21 vehicles of the same year and model.

22 (b) The value determined in (a) of this subsection shall be divided
23 by the applicable percentage listed in this subsection to establish a
24 value equivalent to the purchase price. The applicable percentage
25 shall be based on the year of service of the vehicle for which the
26 value is determined.

27 (4) For purposes of this chapter, value shall exclude value
28 attributable to modifications of a motor vehicle and equipment that are
29 designed to facilitate the use or operation of the motor vehicle by a
30 handicapped person.

31 (5) For RCW 35.95A.130, the tax does not apply to year of service
32 1 (new vehicles). For all other taxing districts, including but not
33 limited to taxing districts under RCW 81.104.160, the tax applies to
34 year of service 1 through year of service 9 or older.

1 **Sec. 11.** RCW 82.44.065 and 1990 c 42 s 305 each amended to read as
2 follows:

3 If the department determines a value for a motor vehicle under
4 (~~(*RCW 82.44.041 equivalent to a manufacturer's base suggested retail~~
5 ~~price)) section 10 of this act or the value of a truck-type power or
6 trailing unit under (~~(*RCW 82.44.041(2))~~) section 10 of this act, any
7 person who pays the tax under this chapter for that vehicle may appeal
8 the valuation to the department under chapter 34.05 RCW. If the
9 taxpayer is successful on appeal, the department shall refund the
10 excess tax in the manner provided in RCW 82.44.120.~~

11 **Sec. 12.** RCW 35.95A.130 and 2002 c 248 s 14 are each amended to
12 read as follows:

13 The special excise tax imposed under RCW 35.95A.080(1) will be
14 collected at the same time and in the same manner as relicensing tab
15 fees under RCW 46.16.0621 and 35.95A.090. Every year on January 1st,
16 April 1st, July 1st, and October 1st the department of licensing shall
17 remit special excise taxes collected on behalf of an authority, back to
18 the authority, at no cost to the authority. Valuation of motor
19 vehicles for purposes of the special excise tax imposed under RCW
20 35.95A.080(1) must be consistent with (~~(chapter 82.44 RCW)~~) section 10
21 of this act.

22 Any agency or governmental entity under RCW 35.95A.130 must abide
23 by the policies and provisions of section 14 of this act.

24 **Sec. 13.** RCW 81.104.160 and 2003 c 1 s 6 are each amended to read
25 as follows:

26 An agency may impose a sales and use tax solely for the purpose of
27 providing high capacity transportation service, in addition to the tax
28 authorized by RCW 82.14.030, upon retail car rentals within the
29 agency's jurisdiction that are taxable by the state under chapters
30 82.02 and 82.12 RCW. The rate of tax shall not exceed 2.172 percent.
31 The base of the tax shall be the selling price in the case of a sales
32 tax or the rental value of the vehicle used in the case of the use tax.

33 Any motor vehicle excise tax previously imposed under the
34 provisions of RCW 81.104.160(1) shall be repealed, terminated and
35 expire on December 5, 2002.

1 Valuation of motor vehicles for purposes of any special excise tax
2 imposed under RCW 81.104.160 must be consistent with section 10 of this
3 act.

4 Any agency or governmental entity under RCW 81.104.160 must abide
5 by the policies and provisions of section 14 of this act.

6 **LIMITING GOVERNMENT-IMPOSED CHARGES ON MOTOR VEHICLES**
7 **BY ELIMINATING OR REDUCING VOTER-REPEALED OR VOTER-REDUCED**
8 **MOTOR VEHICLE EXCISE TAXES OR FEES**

9 NEW SECTION. Sec. 14. Any governmental entity, including, but not
10 limited to, any taxing district, agency, investment district, benefit
11 district, or improvement authority that issues or has issued callable
12 bonds pledging a motor vehicle excise tax or vehicle fee and that tax
13 or fee is repealed by a measure approved by a majority of voters at an
14 election must retire the bonds within thirty days of the effective date
15 of this act or the earliest retirement date permitted under the bond
16 contract if the retirement of the bonds results in the reduction of
17 government-imposed charges on motor vehicles. Any governmental entity,
18 including, but not limited to, any taxing district, agency, investment
19 district, benefit district, or improvement authority that issues or has
20 issued a line of credit pledging a motor vehicle excise tax or vehicle
21 fee and that line of credit interferes, inhibits, or restricts the full
22 implementation of the provisions of this act limiting government-
23 imposed charges on motor vehicles, the governmental entity must cancel
24 the line of credit within 30 days of the effective date of this act.
25 This section does not affect the issuance or reissuance of bonds
26 pledging a revenue source other than a motor vehicle excise tax or
27 vehicle fee or bonds pledging the full faith and credit of the
28 governmental entity. This section does not affect the issuance or
29 reissuance of lines of credit pledging a revenue source other than a
30 motor vehicle excise tax or vehicle fee or pledging the full faith and
31 credit of the governmental entity.

32 For the purpose of this section, "retire" means defease.

33 **MISCELLANEOUS**

1 NEW SECTION. **Sec. 15.** The provisions of this act are to be
2 liberally construed to effectuate the intent, policies, and purposes of
3 this act.

4 NEW SECTION. **Sec. 16.** If any provision of this act or its
5 application to any person or circumstance is held invalid, the
6 remainder of the act or the application of the provision to other
7 persons or circumstances is not affected. If the repeal or reduction
8 of any tax or fee in this act is judicially held to impair any contract
9 in existence as of the effective date of this act, any unused taxing
10 authority shall be repealed as of the effective date of this act and
11 the repeal of pledged revenues shall apply to any other contract,
12 including novation, renewal, or refunding (in the case of bond
13 contract).

14 NEW SECTION. **Sec. 17.** Part headings used in this act are not part
15 of the law.

16 NEW SECTION. **Sec. 18.** This act shall be called \$30 Tabs, Round 3
17 - Don't Let the Politicians Take Away Our \$30 Tabs and takes effect
18 December 7, 2006. If, for any reason including, but not limited to,
19 litigation, after the effective date of this act, a taxing district
20 continues to collect tax revenue from a tax or fee that is repealed,
21 reduced, or eliminated by this act, or any other act, the taxing
22 district shall refund the entire tax or fee paid and pay 18% annualized
23 interest (calculated from the effective date of this measure to the
24 date the refunds are sent) on the refund amount due to vehicle owners.
25 The people find that taxpayers deserve to be compensated when state or
26 local governments delay the implementation of a voter-approved measure.

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